

PARI-MUTUEL WAGERING TAX

Pari-mutuel wagering tax is imposed for race meets other than those conducted on Nebraska State Fairground Property. Wagers placed at live meets, simulcast events, by telewagering, and by telephonic wagering are subject to tax. The tax applies to every corporation or association licensed to conduct horseracing within the state.

The tax rate is a two-tier system. The first \$10,000,000 of wagers are exempt. For wager amounts over \$10,000,000 and less than or equal to \$73,000,000, the tax rate is 2.5 percent. For amounts in excess of \$73,000,000 the tax rate is 4 percent. A tax credit is allowed for capital improvements and maintenance of the premises within the race track enclosure. The credit claimed cannot exceed \$1,400,000 and is equal to 2 percent of the first \$70,000,000 of taxable wagers. An additional tax of one-half percent is imposed on wagers placed by telephone. The one-half percent tax on wagers placed by telephone is deposited in the Racing Commission's Cash Fund. All other revenue is deposited in the General Fund.

Table 7

1999 PARI-MUTUEL REPORT

Organization	Live Race Meets	Amount Wagered		Total	Amount Taxable	Tax Due	Tax Credit	Tax Paid
		Nebraska Simulcast	Out-of-State Simulcast					
Hall County Improvement Assn.	\$6,415,775	\$657,570	\$16,303,074	\$23,376,419	\$13,376,419	\$334,410	\$267,528	\$66,882
Douglas Racing Corporation	167,589	3,187,742	59,783,458	63,138,789	53,138,789	1,328,470	1,062,776	265,694
Platte County Agricultural Society	1,534,378	739,689	4,178,063	6,452,130	0	0	0	0
Nebraska State Board of Agriculture	1,950,385	1,354,495	15,730,391	19,035,271	0	0	0	0
Total	\$10,068,127	\$5,939,496	\$95,994,986	\$112,002,609	\$66,515,208	\$1,662,880	\$1,330,304	\$332,576

CHRONOLOGY OF PARI-MUTUEL TAX RATES

	Live Race Meets	Nebraska Simulcast	Out of State Simulcast	Total	Amount Taxable	Tax Due	Tax Credit	Tax Paid
1990	\$65,976,048	\$46,121,266	\$13,083,748	\$125,181,062	\$73,113,450	\$1,462,269	\$1,462,269	\$0
1991	53,164,942	43,514,910	18,083,307	114,763,159	66,122,266	1,653,057	1,322,445	330,611
1992	53,478,580	43,405,104	21,385,065	118,268,749	69,848,538	1,746,213	1,396,971	349,243
1993	46,805,857	37,828,433	25,003,856	109,638,146	61,339,223	1,533,481	1,226,784	306,696
1994	28,504,850	8,213,455	48,267,613	84,985,918	64,985,918	1,624,648	1,299,718	324,930
1995	25,870,809	15,022,237	77,502,903	118,395,949	65,407,650	1,635,191	1,308,150	327,041
1996	10,226,390	8,742,475	71,067,296	90,036,361	42,244,246	1,056,107	844,885	211,222
1997	9,295,840	7,302,737	71,529,486	88,128,063	41,824,793	1,045,620	836,499	209,121
1998	7,965,015	5,014,469	92,111,131	105,091,665	59,490,425	1,487,261	1,189,788	297,445
1999	10,068,127	5,939,496	94,932,440	110,940,063	66,515,208	1,662,880	1,330,304	332,576